

2430 "E" Street, N. W.
Washington, D. C.
8 February 1954

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Dear Mr. [REDACTED] :

Reference is made to your letter of 22 January 1954 in which you state that you believe means could have and should have been found for the Contracting Officer to exert pressure of a more positive nature on the Contractor relative to expediting completion of the work; also that you believe steps should be taken now to avoid interminable procrastination at the end of the job.

Your recommendations are requested as to the precise means which you believe should be taken at this stage of the work to effect its expeditious completion.

It has been the understanding of the Contracting Officer that you have authority as Resident Engineer to initiate such action as may be necessary in effecting the prosecution and completion of the work. It is reiterated that you are authorized to act for the Contracting Officer as his representative in administering the contract in the field and submitting recommendations involving questions requiring technical or engineering assistance of this Office. It is desired that the Contracting Officer be informed on actions taken.

Change orders or contract modifications requiring the specific written authority of the Contracting Officer will be acted upon based on your recommendations and technical review of this Office. In this regard, it is desired that you be fully apprised of the financial status of the job, that is, a continuing account of funds allotted, contract commitments, change orders and remaining funds available, for your guidance in submitting recommendations. Your suggestions are invited for resolving the necessary information by separate correspondence.

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Mr. [REDACTED]

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It has been brought to my attention that processing of change orders has required a firm price negotiation and final approval prior to proceeding with the work resulting in excessive delays particularly where ordering of lead time materials and equipment is involved. In order to avoid such delays, it is desired that contemplated change orders be reviewed on the basis of reasonable preliminary estimates within funds available and authorization given the Contractor to proceed subject to a firm price negotiation being made at a later date. Such procedure would necessarily be approached with caution, requiring that firm price negotiation be accomplished prior to approximately 25% or 30% completion of the work under the change order, depending on the nature of the work. Approvals for changes on this basis would necessarily require prior confirmation by the Contracting Officer, based on your recommendations.

Very truly yours,

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[REDACTED]
Contracting Officer